

## 1 SENATE JOINT RESOLUTION NO. 32

2 INTRODUCED BY E. BOLDMAN

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4 A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF  
5 MONTANA REQUESTING AN INTERIM STUDY ~~ON AFFORDABLE HOUSING AND ECONOMIC~~  
6 ~~REDEVELOPMENT OF LOCAL ZONING AND STATE AND LOCAL SUBDIVISION AND WATER AND~~  
7 SANITATION LAWS AND REGULATORY PROCESSES AND HOW THEY AFFECT DEVELOPMENT AND  
8 THE AVAILABILITY OF WORKFORCE HOUSING.  
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10 WHEREAS, access to safe, affordable, workforce housing for both renters and homeowners is  
11 essential to Montana's social and economic welfare; and

12 WHEREAS, homeownership has been an essential element of the American Dream for decades; and

13 WHEREAS, documented social benefits of homeownership include increased charitable activity,  
14 greater civic participation, neighborhood attachment, lower incidences of teen pregnancy, higher high school  
15 graduation rates, better physical and psychological health, and significant increases in wealth and in reported  
16 life satisfaction, self-esteem, and happiness; and

17 WHEREAS, due to the COVID-19 pandemic, there has been a surge in demand for real estate,  
18 frequently coming from out-of-state buyers, which has sent prices sharply upward for houses sold in the  
19 summer and fall of 2020; and

20 WHEREAS, workforce housing is an increasingly difficult problem for many Montana communities. With  
21 relatively few workforce homes available for working families, and with much of the existing workforce inventory  
22 aging and in need of rehabilitation, many working families are being priced out of housing markets; and

23 WHEREAS, according to the Montana Department of Labor and Industry, the median cost of a home in  
24 Montana has increased by 25% since 2014, and, on average, housing costs make up 22% of household  
25 expenses. In Montana, 24% of renter households qualify as extremely low income, and there is currently a  
26 shortage of approximately 17,420 rental homes that are affordable and available for extremely low-income  
27 renters; and

28 WHEREAS, rent in Montana has increased more than 5% a year over the past 3 years; and

1 WHEREAS, Montana's homeownership rate has steadily decreased from 70% to 66% over the past  
2 decade, and the current Native American homeownership rate in Montana is less than 50%; and

3 WHEREAS, families who pay more than 30% of their income for housing are considered cost-burdened  
4 and may have difficulty affording necessities such as food, clothing, transportation, and medical care; and

5 WHEREAS, the United States Interagency Council on Homelessness estimates that 1,405 Montanans  
6 experience homelessness on any given day, and of them, 134 are families, 198 are veterans, 119 are  
7 unaccompanied young adults, and 200 are individuals experiencing chronic homelessness; and

8 WHEREAS, workforce housing remains an urgent priority issue in Montana and poses a problem not  
9 only for first-time home buyers and renters, but also for employers looking for qualified employees; and

10 WHEREAS, using a combination of public data, data provided by local sources, research from the  
11 literature, information on other states, as well as data on Montana, the study will assess the landscape of  
12 federal and state direct and indirect funding efforts for increasing the quantity and quality of available workforce  
13 homes in Montana and comparable states.

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15 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF  
16 THE STATE OF MONTANA:

17 That the Legislative Council be requested to designate an appropriate interim committee or statutory  
18 committee, pursuant to section 5-5-217, MCA, or direct sufficient staff resources to: EXAMINE LOCAL ZONING AND  
19 STATE AND LOCAL SUBDIVISION AND WATER SANITATION REVIEW LAWS, REGULATIONS, FEES, AND PROCESSES THAT  
20 AFFECT DEVELOPMENT AND THAT IMPACT THE AVAILABILITY OF WORKFORCE HOUSING.

21 BE IT FURTHER RESOLVED, THAT THE STUDY INCLUDE REVIEW OF:

22 (1) STATUTES GOVERNING COUNTY AND MUNICIPAL ZONING;

23 (2) STATUTES GOVERNING LOCAL GOVERNMENT AND STATE AGENCY SUBDIVISION REVIEW;

24 (3) LOCAL ZONING AND SUBDIVISION REGULATIONS;

25 (4) LOCAL GROWTH POLICIES AND AREA PLANS;

26 (5) STATE AGENCY AND LOCAL GOVERNMENT PROCESSES AND REVIEW FEES AND STATE AGENCY

27 ADMINISTRATIVE RULES THAT GOVERN REVIEW OF SUBDIVISION APPLICATIONS;

28 (6) THE NEED FOR AND AVAILABILITY OF WORKFORCE HOUSING IN MONTANA;

1            (7) COSTS TO LOCAL GOVERNMENTS, DEVELOPERS, AND STATE AGENCIES FOR LOCAL AND STATE SUBDIVISION  
 2 REVIEW AND HOW THOSE COSTS AFFECT HOUSING PRICES; AND

3            (8) WAYS TO IMPROVE LAND USE PLANNING AND OTHER REGULATORY PROCESSES THAT MAY ENHANCE THE  
 4 AVAILABILITY OF WORKFORCE HOUSING AND OTHER DEVELOPMENTS IN A MANNER THAT PROTECTS PUBLIC HEALTH,  
 5 SAFETY, AND WELFARE AND THAT MINIMIZES ADVERSE IMPACTS TO WATER RESOURCES, WILDLIFE, AND THE NATURAL  
 6 ENVIRONMENT.

7            BE IT FURTHER RESOLVED, THAT THE STUDY:

8            ~~(1) examine the current availability of workforce housing in metropolitan and rural areas of the state;~~

9            ~~(2) identify existing federal, state, and local subsidies, grants, and other incentives and programs~~  
 10 ~~available to increase the availability of workforce housing, the extent to which the subsidies, grants, and other~~  
 11 ~~incentives and programs are utilized, and the successfulness of their usage in increasing the availability of~~  
 12 ~~workforce housing;~~

13            ~~(3)(1) examine the challenges facing those in need of workforce housing, including financial, social,~~  
 14 ~~and logistic challenges;~~

15            ~~(4)(2) assess the ability of local governments to leverage existing laws and resources, including~~  
 16 ~~partnering with nonprofit and for-profit entities, to increase the availability of workforce housing;~~

17            ~~(5)(3) examine the best practices of other states in increasing the availability of workforce housing;~~

18            ~~(6)(4) examine any unique challenges faced by local governments across the state resulting from~~  
 19 ~~differences in economic prosperity and considering the differences between the metropolitan and rural areas of~~  
 20 ~~the state;~~

21            ~~(7)(5) evaluate the potential benefits, cost savings, and improved affordability from utilizing energy~~  
 22 ~~efficiency standards in housing; and~~

23            ~~(8)(6) assess the feasibility and cost savings from partnerships between public utilities and private~~  
 24 ~~businesses in replacing aging housing in existing programs with newer modular and mobile home units.~~

25            ~~BE IT FURTHER RESOLVED, that the study include input from appropriate stakeholders, including but~~  
 26 ~~not limited to the Department of Commerce, the Department of Labor and Industry, local entities, and other~~  
 27 ~~stakeholders as appropriate. SEEK INFORMATION AND PARTICIPATION FROM LOCAL GOVERNMENTS, STATE AGENCIES,~~  
 28 ORGANIZATIONS REPRESENTING REALTORS, BUILDERS, LAND USE PLANNERS, ENVIRONMENTAL INTERESTS, PROPERTY

1 OWNERS, AFFORDABLE HOUSING ADVOCATES, DEVELOPERS, AND ANY OTHER PERSON OR ENTITY THAT THE COMMITTEE  
2 CONSIDERS APPROPRIATE.

3 BE IT FURTHER RESOLVED, that if the study is assigned to staff, any findings or conclusions be  
4 presented to and reviewed by an appropriate committee designated by the Legislative Council.

5 BE IT FURTHER RESOLVED, that all aspects of the study, including presentation and review  
6 requirements, be concluded prior to September 15, 2022.

7 BE IT FURTHER RESOLVED, that the final results of the study, including any findings, conclusions,  
8 comments, or recommendations of the appropriate committee, be reported to the 68th Legislature.

9 - END -